



## **Order under Section 126 Residential Tenancies Act, 2006**

**Citation:** Myriad Property Management Inc v Howell, 2026 ONLTB 40220

**Date:** 2026-05-22

**File Number:** LTB-L-035123-23

**In the matter of:** 2 Armel Court, Toronto, Ontario, M9W 6L4

**Between:** Myriad Property Management Inc Landlord

**And**

Refer to attached Schedule 2 Tenants

Myriad Property Management Inc (the 'Landlord') applied for an order permitting the rent charged to be increased by more than the guideline for one or more of the rental units in the residential complex.

This application was resolved by a written hearing. No submissions were received from the Tenants.

### **Preliminary Matters:**

#### **Clerical Amendment**

1. Prior to the commencement of the written hearing, it came to the Board's attention that the Landlord's evidence justifies a higher increase than the amount set out in the Notice of Hearing Package (Tenant Guide).
2. For the purpose of clarity, regardless of the amount set out in the Tenant Guide, the allowable above guideline increase is limited to the lesser of either the percentage ordered in this decision, or the amount stated in the Notices of Rent Increases (N1 Notices) served to the Tenants related to this application.

### **It is determined that:**

3. I find that the Landlord has justified a rent increase above the guideline because the Landlord incurred an eligible capital expenditure for the residential complex or one or more of the rental units in it.

#### **THE DEFINITION OF CAPITAL EXPENDITURE**

4. The Landlord must lead evidence to establish that each of the capital expenditures claimed meets the definition of "capital expenditure" as set out in s. 18(1) of the regulation. It says:

"capital expenditure" means an expenditure for an extraordinary or significant renovation, repair, replacement or new addition, the expected benefit of which extends for at least five years including,

- a. an expenditure with respect to a leased asset if the lease qualifies as determined under subsection (2), and
- b. an expenditure that the landlord is required to pay on work undertaken by a municipality, local board or public utility, other than work undertaken because of the landlord's failure to do it,

but does not include,

- c. routine or ordinary work undertaken on a regular basis or undertaken to maintain a capital asset in its operating state, such as cleaning and janitorial services, elevator servicing, general building maintenance, grounds-keeping and appliance repairs, or
- d. work that is substantially cosmetic in nature or is designed to enhance the level of prestige or luxury offered by a unit or residential complex;

#### "ELIGIBLE" CAPITAL EXPENDITURES

- 5. In addition to meeting the definition of capital expenditure, each of the Landlord's claimed items must be an "eligible" capital expenditure.
- 6. Subsections 126(7) and (8) of the Act say:

(7) Subject to subsections (8) and (9) and except under the prescribed circumstances, a capital expenditure is an eligible capital expenditure for the purposes of this section if,

- a. it is necessary to protect or restore the physical integrity of the residential complex or part of it;
- b. it is necessary to comply with subsection 20 (1) or clauses 161 (a) to (e);
- c. it is necessary to maintain the provision of a plumbing, heating, mechanical, electrical, ventilation or air conditioning system;
- d. it provides access for persons with disabilities;
- e. it promotes energy or water conservation; or
- f. it maintains or improves the security of the residential complex or part of it.

(8) A capital expenditure to replace a system or thing is not an eligible capital expenditure for the purposes of this section if the system or thing that was

replaced did not require major repair or replacement, unless the replacement of the system or thing promotes,

- g. access for persons with disabilities;
- h. energy or water conservation; or
- i. security of the residential complex or part of it.

#### THE 18-MONTH WINDOW

7. Pursuant to s. 26(2) of the regulation a rent increase shall not be ordered in respect of a capital expenditure unless the work was completed during the 18-month period ending 90 days before the effective date of the first intended rent increase referred to in the application. In this case the 18-month window is from September 3, 2021 to March 3, 2023.
8. The expenditure must also be "incurred" which essentially means the work must have been paid for prior to the application being filed. This is not an issue with respect to any of the items claimed in this application.

#### THE USEFUL LIFE

9. If the expenditure meets the requirements set out above, then the Board must establish the useful life of the work done in order to calculate the allowable increase.

10. Section 27 of the regulation says:

27. (1) The useful life of work done or a thing purchased shall be determined from the Schedule subject to the following rules:

- a. Where the useful life set out in Column 3 of the Tables in the Schedule is less than 10 years, the useful life of work done or a thing purchased shall be deemed to be 10 years.
- b. If, when a thing is purchased, it has previously been used, the useful life of the thing shall be determined taking into account the length of time of that previous use.
- c. If the work done or thing purchased does not appear in the Schedule, the useful life of the work or thing shall be determined with reference to items with similar characteristics that do appear in the Schedule.
- d. Despite paragraphs 2 and 3, for the purposes of making a finding under this section, the useful life of work done or a thing purchased shall not be determined to be less than 10 years.

(2) If the useful life of work done or a thing purchased cannot be determined under subsection (1) because the work or thing does not appear in the Schedule and no item with similar characteristics appears in the Schedule, the useful life of the work or thing shall be what is generally accepted as the useful life of such work or thing but in no case shall the useful life be determined to be less than 10 years.

### Capital Expenditure

11. The Landlord justified a rent increase above the guideline because of capital expenditures.
12. The maximum rent increase above the guideline because of capital expenditures is 1.79%.
13. The Landlord's application is for the following capital expenditures:
  - a. Elevator;
  - b. Roof Repair;
  - c. Water Penetration Repairs;
  - d. Garage Concrete Repairs;
  - e. Energy Conservation;
  - f. Water Monitoring; and
  - g. Plumbing.

### **Capital Expenditure #1 – Elevator**

14. The Landlord submits that the elevator work was necessary as “the elevator was beyond its useful life and required replacement. Parts were very difficult to order due to the age of the equipment and it was getting harder to find qualified technicians to fix the old elevator”. The scope of work involved modernization of the elevators. The Landlord submits that this item is “eligible” under subsection 126(7)(c) because it is necessary to maintain the provision of a plumbing, heating, mechanical, electrical, ventilation or air conditioning system. The cost claimed in this capital expenditure is \$782,185.48.
15. Given the uncontested evidence, I am satisfied that the elevator work meets the definition of capital expenditure contained in subsection 18(1) of the O.Reg 516/06 as it was a significant repair and replacement, the expected benefit of which extends for at least five years. It also meets the test for eligibility under subsection 126(7)(c) because it is necessary to maintain the provision of a plumbing, heating, mechanical, electrical, ventilation or air conditioning system.
16. The cost of this capital expenditure is \$782,185.48.
17. The useful life of this capital expenditure is 15 years.

### **Capital Expenditure #2 - Roof Repair**

18. The Landlord submits that the roof repair was necessary as “the roof over the entrance canopy leaked and required replacement due to age”. The scope of work involved repairs to the canopy roof on the south stair entrance. The Landlord submits that this item is “eligible” under subsection 126(7)(a) as it is necessary to protect or restore the physical integrity of the residential complex or part of it. The cost claimed in this capital expenditure is \$7,768.75.
19. Given the uncontested evidence, I am satisfied the roof repair meets the definition of capital expenditure contained in subsection 18(1) of the O.Reg 516/06 as it was a significant repair and replacement, the expected benefit of which extends for at least five years. It also meets the test for eligibility under subsection 126(7)(a) of the Act because it was to protect or restore the physical integrity of the residential complex or part of it.
20. The cost of this capital expenditure is \$7,768.75
21. The useful life of this capital expenditure is 15 years.

### **Capital Expenditure #3 - Water Penetration Repairs**

22. The Landlord submits that the foundation waterproofing work was necessary as “water penetration into units required to the units to be repaired and waterproofed”. The scope of work involved window caulking repairs, balcony concrete repairs, and a waterproofing membrane. The Landlord submits that these items are “eligible” under subsection 126(7)(a) as it is necessary to protect or restore the physical integrity of the residential complex or part of it. The cost claimed in this capital expenditure is \$7,097.53.
23. Given the uncontested evidence, I am satisfied the water penetration repairs meet the definition of capital expenditure contained in subsection 18(1) of the O.Reg 516/06 as it was a significant repair, the expected benefit of which extends for at least five years. It also meets the test for eligibility under subsection 126(7)(a) of the Act because it was to protect or restore the physical integrity of the residential complex or part of it.
24. The cost of this capital expenditure is \$7,097.53.
25. The useful life of this capital expenditure is 15 years.

### **Capital Expenditure #4 - Garage Concrete Repairs**

26. The Landlord submits that the garage concrete repairs were necessary “due to water penetration and age”. The scope of work involved underground repairs and epoxy injections in the garage. The Landlord submits that these items are “eligible” under subsection 126(7)(a) as it is necessary to protect or restore the physical integrity of the residential complex or part of it. The cost claimed in this capital expenditure is \$9,667.20.

27. Given the uncontested evidence, I am satisfied the garage concrete repairs meet the definition of capital expenditure contained in subsection 18(1) of the O.Reg 516/06 as it was a significant repair, the expected benefit of which extends for at least five years. It also meets the test for eligibility under subsection 126(7)(a) of the Act because it was to protect or restore the physical integrity of the residential complex or part of it.
28. The cost of this capital expenditure is \$9,667.20.
29. The useful life of this capital expenditure is 10 years.

#### **Capital Expenditure #5 - Energy Conservation**

30. The Landlord submits that the waste water monitoring was necessary “to promote the conservation of water”. The scope of work involved the purchase of a subscription from January 1, 2022 to January 1, 2023 for “cloud access and monitoring only” for the Water Waste Reduction Program. The Landlord submits that this item is “eligible” under subsection 126(7)(e) as it promotes energy conservation. The cost claimed in this capital expenditure is \$2,575.40.
31. The issue to be determined by the Board is whether the subscription fee for the “cloud access and monitoring” is an eligible capital expenditure. In accordance with section 18(1) of the O. Regs 516/05, to be considered eligible, the work needs to be a direct expenditure for an extraordinary or significant renovation, repair, replacement or new addition, the expected benefit of which extends for at least five years, i.e., physical work directly associated with a water conservation system with a benefit of at least five years.
32. I am not satisfied that the cost associated with a one year subscription service meets the definition of a direct and physical repair, replacement, or new addition, nor do I find that a subscription service for one year has a benefit of at least five years. Accordingly, this portion of the claim is denied.

#### **Capital Expenditure #6 - Water Monitoring**

33. The Landlord submits that the water monitoring project was necessary to conserve water. The scope of work involved the supply and installation of a “Flowie Sensor for H2-O Monitoring”. The Landlord submits that this item is “eligible” under subsection 126(7)(e) as it promotes energy conservation. The cost claimed in this capital expenditure is \$21,228.21.
34. As above, the Landlord has included a subscription fee of \$271.20 from Alert Labs for a “Flowie Subscription”. I am not satisfied that the cost associated with a one year subscription service meets the definition of a direct repair, replacement, or new addition, nor do I find that a subscription service for one year has a benefit of at least five years. Accordingly, the claim for this capital expenditure will be reduced by \$271.20.

35. I am satisfied that the water retrofit meets the definition of capital expenditure contained in subsection 18(1) of the O.Reg 516/06 as it was a significant addition, the expected benefit of which extends for at least five years. It also meets the test for eligibility under subsection 126(7)(e) as it promotes water conservation.
36. The revised cost of this capital expenditure is \$20,957.01 (\$21,228.21 - \$271.20).
37. The useful life of this capital expenditure is 20 years.

#### **Capital Expenditure #7 - Plumbing**

38. The Landlord submits that the plumbing work was necessary to protect the physical integrity of the complex. The scope of work involved a valve replacement. The Landlord submits that this item is "eligible" under subsection 126(7)(a) as it is necessary to protect or restore the physical integrity of the residential complex or part of it. The cost claimed in this capital expenditure is \$12,376.50.
39. Given the uncontested evidence, I am satisfied valve replacement meets the definition of capital expenditure contained in subsection 18(1) of the O.Reg 516/06 as it was a significant replacement, the expected benefit of which extends for at least five years. It also meets the test for eligibility under subsection 126(7)(c) because it is necessary to maintain the provision of a plumbing system.
40. The cost of this capital expenditure is \$12,376.50.
41. The useful life of this capital expenditure is 15 years.
42. The weighted useful life for the capital expenditures is 15 years.

#### **General**

43. The Certificate of Service filed by the Landlord on December 5, 2025, indicates that some rental units listed in the application were not served with the application and notice of hearing. The LTB shall therefore amend the application by removing these rental units. As a result, this order for a rent increase above the guideline under section 126 of the Act does not apply to the following units: 306, 406, 414, 501, 508, 515, 607, 610, 612, 808, 810, 816, 1015, 1103, 1110, 1402, 1406, 1411, 1415, 1605, 1607, 1616, 1705 and 1805.
44. The first effective date of the rent increase above the guideline is June 1, 2023.

#### **It is ordered that:**

1. The Landlord may increase the rents charged by 1.79% for the units set out in Schedule 1.

2. The percentage increase set out in paragraph 1 is to be taken within the time period of June 1, 2023 to May 31, 2024.
3. The percentage increase set out in paragraph 1 may be taken in addition to the annual guideline in effect on the increase date for the unit.
4. The Landlord or the Tenants shall pay to the other any sum of money that is owed as a result of this order within 90 days of the date of this order.

**May 22, 2026**  
**Date Issued**

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**Andrew Laurich**

Member, Landlord and Tenant Board

15 Grosvenor Street, Ground Floor  
Toronto ON M7A 2G6

If you have any questions about this order, call 416-645-8080 or toll free at 1-888-332-3234.

**Important Notes:**

1. The landlord may increase the rent charged by the ordered increase within the time period specified if at least 12 months have passed since the last rent increase or since the tenant moved in, and if the landlord has given the tenant at least 90 days proper Notice of Rent Increase. Any part of the ordered increase that is not taken within the time period specified cannot be added to subsequent rent increases in subsequent time periods.
2. If the landlord has given a Notice of Rent Increase for a rent increase that is less than the ordered increase, the landlord may only take the rent increase set out in the Notice.
3. If the Tenant's rent is increased pursuant to the percentage increase ordered for capital expenditures and the same Tenant remains in the unit after the expiration of the weighted useful life for capital expenditures, then the rent will be reduced. Refer to Schedule 3 for information about the date and amount of the rent reduction.
4. The annual guideline for 2023 and 2024 is 2.50%.

**Schedule 1 - Units affected by this Order:**

|     |     |     |     |      |      |      |      |
|-----|-----|-----|-----|------|------|------|------|
| 101 | 302 | 506 | 710 | 911  | 1112 | 1416 | 1703 |
| 102 | 303 | 507 | 711 | 912  | 1114 | 1501 | 1704 |
| 103 | 304 | 509 | 712 | 914  | 1115 | 1502 | 1707 |
| 104 | 305 | 510 | 714 | 915  | 1116 | 1503 | 1708 |
| 105 | 307 | 511 | 715 | 916  | 1201 | 1504 | 1709 |
| 106 | 308 | 512 | 716 | 1001 | 1202 | 1505 | 1710 |
| 108 | 309 | 514 | 801 | 1002 | 1203 | 1506 | 1711 |
| 109 | 311 | 516 | 802 | 1003 | 1204 | 1507 | 1712 |
| 111 | 312 | 601 | 803 | 1004 | 1205 | 1508 | 1714 |
| 112 | 313 | 602 | 804 | 1005 | 1206 | 1509 | 1715 |
| 114 | 314 | 604 | 805 | 1006 | 1207 | 1510 | 1716 |
| 115 | 315 | 605 | 806 | 1007 | 1208 | 1511 | 1801 |
| 116 | 401 | 606 | 807 | 1008 | 1209 | 1512 | 1803 |
| 201 | 402 | 608 | 809 | 1009 | 1210 | 1514 | 1804 |
| 202 | 403 | 609 | 811 | 1010 | 1211 | 1515 | 1806 |
| 203 | 404 | 611 | 812 | 1011 | 1212 | 1516 | 1807 |
| 204 | 405 | 614 | 814 | 1012 | 1214 | 1601 | 1808 |
| 205 | 408 | 615 | 815 | 1014 | 1215 | 1602 | 1809 |
| 206 | 409 | 616 | 901 | 1016 | 1216 | 1604 | 1810 |
| 207 | 410 | 701 | 902 | 1101 | 1401 | 1606 | 1811 |
| 208 | 411 | 702 | 903 | 1102 | 1403 | 1608 | 1812 |
| 209 | 412 | 703 | 904 | 1104 | 1404 | 1609 | 1814 |
| 210 | 415 | 704 | 905 | 1105 | 1405 | 1610 | 1815 |
| 211 | 416 | 705 | 906 | 1106 | 1407 | 1611 | 1816 |
| 212 | 502 | 706 | 907 | 1107 | 1408 | 1612 |      |
| 215 | 503 | 707 | 908 | 1108 | 1409 | 1614 |      |
| 216 | 504 | 708 | 909 | 1109 | 1410 | 1615 |      |
| 301 | 505 | 709 | 910 | 1111 | 1414 | 1701 |      |

**Schedule 2 - Tenants who are Affected by this Order:**

|                                        |                              |
|----------------------------------------|------------------------------|
| Abbey, Nee                             | Costa, Fatima                |
| Abdulle, Abdiraman                     | Cruz, Hipolito               |
| Absuge, Said                           | Daley, Colette               |
| Acosta, Jackeline                      | Da silva, Manuel             |
| Ademolu, Kikelomo                      | De Acevedo, Martha           |
| Adenola, Adedayo                       | DePersis, Albert             |
| Agboola, Lucas                         | Duval Brown, Adrehana        |
| Ahmed, Abdullahi                       | Dwemoh-Bonsu, Theresa        |
| Ahmed, Ahmed                           | Dwobeng, Dina                |
| Akhras, Mamdouh                        | Egal, Essa                   |
| Alimad, A                              | Ejimamu, Clifford            |
| Alli, Nazim                            | Elbar, Davila                |
| Ally, Jamir                            | Ellis, Maureen               |
| Alyas, Atheer                          | Fabiyi, Mobolaji             |
| Amin, Marva                            | Farah, Sahra                 |
| Amponsah, Kofi                         | Feleme Cangas, Feleme Cangas |
| Arnold, Richard                        | Fernandez, Luis              |
| Asamoah, Jones                         | Fidow, Duniya                |
| Asekun, Owolab                         | Frazer, Marline              |
| Astor, Shahram                         | Gomez, Federico              |
| Avila, Maria                           | Gray, Lyndon                 |
| Badmus, Joseph                         | Guandique, Agustin           |
| Badri, Arezo                           | Gulcharran, Khemwattie       |
| Baggau, Mavis                          | Hakim, Habiba                |
| Bahar, Lisa                            | Halimo, Abdullahi            |
| Bascombe, Joyce                        | Hamilton, Kiana              |
| Batres, Carlos                         | Harries, Shawnique           |
| Bekoe, Eric                            | Harrisingh, Josean           |
| Belle, Kamille                         | Hasan, Muhammed              |
| Bennett, Reginald                      | Hassan, Fosia                |
| Boamah, Brenda                         | Hirsi, Ismail                |
| Boateng, Raymond                       | Holder, Cyril                |
| Bonsu, Stephen                         | Howell, Fazeeda              |
| Calvin, Janet                          | Hussein, Zulekha             |
| Cambal, Hilda                          | Ibrahim, Ali                 |
| Canadian Mental Health Toronto #2-1007 | Idan, Mohamud                |
| Cassis, Danielle                       | Idowu, Funmilayo             |
| Cauz, Mario                            | Idowu, Tola                  |
| Cheng, Ming                            | Igbinosa, Faith              |
| Cheum, Benjamin                        | Ikomiddin, Masrur            |
| Chinwuko, Samuel                       | Ikomiddin, Masrur            |
| Chioma, Nwolisa                        | Islow, Sharifa               |
| Choudhry, Khalid                       | Jackson, Nareen              |
| Cooper, Ayana                          | Jama, Abdirashid             |

Jama, Halima  
 Jn Paul, Danny  
 Jofre, Manuel  
 Johnson, Caseen  
 Kalif, Fadumo  
 Kelly-Akinuoye, Caroline  
 Khan, Mohamed  
 Kolade, Jonathan  
 Kolan, Vigen  
 Kon, Tatiana  
 Koranteng, Kenneth  
 Krutaj, Farudin  
 Kusi, Yaw  
 Ladane, Leyla  
 Lee, Yuk  
 Levy, Linden  
 Lewars, Phyllis  
 Lewis, Austin  
 Lini, Victor  
 Livingston, Beuna  
 Ly, Duc  
 Maduka, Lilian  
 Mahamed, Nur  
 Mahmoud, Abdou  
 Mansah, Abena  
 Mao, Ahmed  
 Marsh, Merlyne  
 Matthew, Brent  
 McDougall, Prudence  
 McKenzie, Clive  
 Mejia, Jorge  
 Mensah, Joe  
 Metro Housing #2-1105 Robertson, Eilene  
 Metro Housing #2-1212 Monteith, Novelette  
 Metro Housing #2-1414 Radziwonowski, Helena  
 Metro Housing #2-1507 Springer, Helene  
 Metro Housing #2-1514 Sed, Nur  
 Metro Housing #2-1516 Mohamed, Ali  
 Metro Housing #2-1701 Ramsay, Dean  
 Metro Housing #2-1704 Kelsey, Susan  
 Metro Housing #2-209 Crooks, Patricia  
 Metro Housing #2-307 Ramjass, Melinda  
 Metro Housing #2-408 Cox, Ann  
 Metro Housing #2-409 Brooker, Cheryl  
 Metro Housing #2-410 Khoushoo, Georges  
 Metro Housing #2-509 Syed, Iqbal, Metro

Metro Housing #2-707 Myers, Dorrett  
 Metro Housing #2-904 Watson, Cecilia  
 Mills, Winston  
 Mingala, Helen  
 Mohamed, Eissa  
 Mohamed, Ikran  
 Mohamed, Kinsi  
 Mohammed, Hasmeey  
 Moncada, Blanca  
 Morvan, Marietta  
 Moulton, Winnifred  
 Mourtzis, Peter  
 Mulatu, Hiwot  
 Musah, Yusif  
 Mustapha, Monica  
 Nakato, Brenda  
 Nawaz, Sohail  
 Newell, Junior  
 Niles, Lavern  
 Noor, Gulet  
 Noori, Palwasha  
 Nur, Mohamed  
 Nwigwe, Kenneth  
 Oboh, Augustina  
 Ofei, Edward  
 Ogunsola, Mofoluwaso  
 Oladipupo, Bilikisu  
 Olaniyan, Omowunmi  
 Olasukanmi, Modupe  
 Olufemi, Korede  
 Oni, David  
 Opoku, James  
 Osman, Cabdinasir  
 Osunde, Joseph  
 Owusu-Ansah, Collins  
 Oyewole, Ibiwumi  
 Perez, Leslie  
 Perlado, Rosalina  
 Peters, Patrick  
 Petros, Mahir  
 Petros, Mazin  
 Pilgrim, Telesford  
 Pinto, Geydi  
 Pope, Tamara  
 Powell, Stephanie  
 Quarcoopome, Esther

Qudrat, Ray  
Qureshi, Shams  
Regalado, Juana  
Retemeyer, Philiseta  
Rilcopiro, Jenny  
Rojas, Claudio  
Rojas, Juan  
Rosemond, Sylvester  
Rup, Nina  
Sheikh, Khadija  
Shiwa, Ghulam  
Shokoor, Hafizullah  
Smith, Beverly  
Ssemakula, Peter  
St. Louis, Anthony  
Strickland, Becky  
Sutherland, Gary  
Tan, Tina  
Tekeste, Yodit  
Toma, Saed  
Tran, Quoc  
Tu, Mai

Tunde, Onile  
TwumasiAnkrah, Richard  
Ubah, Shed  
Valencia, Carlos  
Valencia, Rodolfo  
Valenzuela, Jasna  
Vanrieal, Anthony  
Velasco, Gladys  
Velasco, Glenn  
Wahedi, Jaffar  
Warsama, Abdirahman  
Warsame, Abshir  
Weldeabzgi, Habte  
Williams, Roger  
Wilson, Angela  
Winsbert, Gabriel  
Worloson, Bernard  
Yakub, Kabiru  
Yassin, Abdulkadir  
Yeboaa, Margaret  
Yousafza, Mohammad

### **Schedule 3 - Rent Reduction related to Capital Expenditures**

#### **A. Date of Rent Reduction**

**If the Tenant's rent is increased based on capital expenditures during the period 2023 then:**

The date of the rent reduction will be the day before:

- the date of the Tenant's first rent increase under this order, plus
- the number of years for the weighted useful life for capital expenditures for the unit (set out in the order).

*Example:*

*If the Tenant's rent was increased on June 1, 2021 and the weighted useful life for capital expenditures is 10 years, then the rent will be reduced on May 31, 2031.*

**If the Tenant's rent was *not* increased based on capital expenditures during the period 2023 but was increased during the later periods set out in the order then:**

The date of the rent reduction will be the day before:

- the First Effective Date of Rent Increase in this order, plus
- the number of years for the weighted useful life for capital expenditures for the unit (set out in the order).

*Example:*

*If the first effective date of increase in this order is April 1, 2021 and the weighted useful life for capital expenditures is 10 years, then the rent will be reduced on March 31, 2031.*

#### **B. Amount of Rent Reduction**

**If the Tenant's rent is increased by the total percentage increase set out in this order then:**

The rent must be reduced by the total percentage increase set out in this order for capital expenditures.

**If the Tenant's rent is *not* increased by the total percentage increase set out in this order then:**

The rent must be reduced by an amount determined in accordance with the prescribed rules which may be equal to or less than the total percentage increase set out in this order for capital expenditures.